

August 25, 2006

The Honorable Mark Sanford
Governor of South Carolina
P.O. Box 12267
Columbia, South Carolina 29211

Dear Governor Sanford:

Enclosed you will find the Fiscal Year 2007-08 Annual Budget Plan for the South Carolina Governor's School for the Arts and Humanities, including new requests and the required schedule of potential cost savings.

Operating as an accredited public high school, the SCGSAH Residential High School Program is responsible around-the-clock for the well-being of our students. We believe the approved funding of this Budget Plan is essential to provide for the continued health and safety of our students, faculty, and staff.

On behalf of the leadership of the School, the Board of Directors, and the GSA Foundation, we sincerely appreciate your commitment and that of the General Assembly to the South Carolina Governor's School for the Arts and Humanities. Your support of the enclosed Budget Plan is critical to the continuation of the School's programs of excellence.

Sincerely,

Donald Beckie, President

Enclosures

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

- A. Agency Section/Code/Name: Section 1, State Department of Education (H63), Program XIV
SC Governor's School for the Arts and Humanities
- B. Statewide Mission: The mission of the SCGSAH is to serve artistically talented high school students of South Carolina through residential programs of pre-professional instruction in an environment of artistic and academic excellence.
- C. Summary Description of Strategic or Long-Term Goals:
- (1) To equip, staff, and fully make operational the resources to accommodate a full residential student body. To develop a plan of action to address the health and safety of SCGSAH students, faculty, and staff.
 - (2) To continue to serve as a statewide resource for both students and teachers throughout South Carolina.
 - (3) Maintain both SACS and ACCPAS accreditation.

D.

| Summary of Operating Budget Priorities for FY 2007-08: | | FUNDING | | | | | FTEs | | | |
|--|--------------------------------|---------------------|-----------------|---------|-------|-----------|-------|------|-------|-------|
| | | State Non-Recurring | State Recurring | Federal | Other | Total | State | Fed. | Other | Total |
| Priority No.: 1 | Title: Residential High School | 0 | \$469,290 | 0 | 0 | \$469,290 | 0 | 0 | 0 | 0.00 |
| Strategic Goal No. Referenced in Item C Above (if applicable): Activity Number & Name: 806-12 Residential High School | | | | | | | | | | |
| Priority No.: | Title: | 0 | 0 | 0 | 0 | \$ 0 | 0 | 0 | 0 | 0.00 |
| Strategic Goal No. Referenced in Item C Above (if applicable): Activity Number & Name: | | | | | | | | | | |
| Priority No.: | Title: | 0 | 0 | 0 | 0 | \$ 0 | 0 | 0 | 0 | 0.00 |

| Summary of Operating Budget Priorities for FY 2007-08: | FUNDING | | | | | FTEs | | | |
|---|-------------------------|--------------------|---------|-------|-----------|-------|------|-------|-------|
| | State Non- Recurring | State Recurring | Federal | Other | Total | State | Fed. | Other | Total |
| Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name: | | | | | | | | | |
| TOTAL OF ALL PRIORITIES | \$ 0 | \$469,290 | \$ 0 | \$ 0 | \$469,290 | 0.00 | 0.00 | 0.00 | 0.00 |

E. Agency Recurring Base Appropriation:

State \$6,735,928

Federal\$

Other \$504,771

F. Efficiency Measures: Intensive, comprehensive, and sequentially developed programs are necessary to fully prepare our artistically gifted children. Based on yearly program assessments, student assessments and working with other arts agencies to identify additional arts education needs across the state, the School will continue to update and revise programs and services to strategically benefit both students and educators. Essential data components used by the SCGSAH to guide improvements, advancements, and program adjustments include the following:

- SCGSAH academic and arts performance trends, findings, and performance ratings;
- SCGSAH experiences with staff, students, and faculty;
- Findings from research and literature reviews and analysis of those findings;
- Experiences and guidance from master teachers and renowned arts and education professionals here in South Carolina and throughout the nation;
- Monitoring other states' arts and academics education programs, policies and delivery systems;
- Professional growth and development opportunities for the School's faculty and staff, and for teachers statewide; and
- Addressing and adapting to current statewide education initiatives.

G.

| Summary of Capital Budget Priorities: | | | Additional State Funds | Previously Authorized State Funds | Total Other Fund Sources | Project Total |
|---|---|--------------|-----------------------------------|--|---|--------------------------|
| Priority No.: 1 | <u>Project Name:</u> Residence Hall Reconfiguration (Phase II) Activity Number & Name: 806-12 Residential High School | Project No*: | \$3,500,000 | 0 | 0 | \$3,500,000 |
| Priority No.: 2 | <u>Project Name:</u> Residential High School – Replacement of Classroom Equipment and Furniture Activity Number & Name: | Project No*: | \$75,000 | 0 | 0 | \$75,000 |
| Priority No.: | <u>Project Name:</u> Activity Number & Name: | Project No*: | 0 | 0 | 0 | \$ 0 |
| TOTAL OF ALL CAPITAL BUDGET PRIORITIES | | | \$3,575,000 | \$ 0 | \$ 0 | \$3,575,000 |

* If applicable

H. Number of Proviso Changes: 0

I. Signature/Agency Contacts/Telephone Numbers:
Donald Beckie, President (864) 282-3770
JoAnne L. Payton, VP for Finance & Administration (803) 734-3146

II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

- A. Agency Section/Code/Name: Section 1, State Department of Education (H63), Program XIV
SC Governor's School for the Arts & Humanities
- B. Priority No. 1 of 1
- C.
 - (1) Title: Residential High School
 - (2) Summary Description: The additional funding will be used to provide for the continued health and safety of students, faculty, and staff at the SCGSAH Residential High School, to provide adequate classroom supplies, and necessary facility contract and utility increases.
 - (3) Strategic Goal/Action Plan (*if applicable*): To equip, staff, and fully make operational the resources to accommodate a full residential student body.
- D. Budget Program Number and Name: Section 1, Program XIV, SC Governor's School for the Arts and Humanities.
- E. Agency Activity Number and Name: 806-12, Residential High School
- F. Detailed Justification for Funding
 - (1) Justification for Funding Increase: In order to accommodate a full residential student body and address the health and safety of students, faculty, and staff, additional increases in facility contracts of \$70,000, utility increases of \$250,000, and health screenings of \$10,440 for TB and Hep-B are necessary campus-wide. Additional classroom supplies relative to the needs associated with student performances, non-state adopted textbooks and materials, and art supplies are requested in the amount of \$25,000.
(see attached Budget Request Summary)

(2)

| FY 2007-08 Cost Estimates: | State Non-Recurring Funds | State Recurring Funds | Federal | Other | Total |
|---|--|--------------------------------------|----------------|--------------|--------------|
| Personnel: | | | | | |
| (a) Number of FTEs* | | | | | 0.00 |
| (b) Personal Service | | | | | \$ 0 |
| (c) Employer Contributions | | | | | \$ 0 |
| | | | | | |
| Program/Case Services | | | | | \$ 0 |
| Pass-Through Funds | | | | | \$ 0 |
| Other Operating Expenses | \$469,290 | | | | \$469,290 |
| | | | | | |
| Total | \$469,290 | \$ 0 | \$ 0 | \$ 0 | \$469,290 |
| <i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i> | | | | | |

(3) Base Appropriation:

| | |
|---------|-------------|
| State | \$6,735,928 |
| Federal | \$ |
| Other | \$ 504,771 |

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

| | State | Federal | Earmarked | Restricted | Total |
|----------------------------|-------|---------|-----------|------------|-------|
| Position Title: | | | | | |
| (a) Number of FTEs | | | | | 0.00 |
| (b) Personal Service | | | | | \$ 0 |
| (c) Employer Contributions | | | | | \$ 0 |

| | State | Federal | Earmarked | Restricted | Total |
|----------------------------|-------|---------|-----------|------------|-------|
| Position Title: | | | | | |
| (a) Number of FTEs | | | | | 0.00 |
| (b) Personal Service | | | | | \$ 0 |
| (c) Employer Contributions | | | | | \$ 0 |

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State _____
Federal _____
Other _____

Agency-wide Vacant FTEs as of July 31, 2006: 9

% Vacant 10 %

- H. **Other Comments:** Explanation of vacancy rate: The SCGSAH Residential High School is in session from August through May of each year. Many of the School's positions are 10-month FTE's where we typically fill these positions effective August 2 to coincide with the beginning of each academic year. One FTE is used to continuously post a Student Services Program Coordinator position that has historically experienced a high turn-over rate and in as much as these positions are imperative to the residential life component of the Residential High School we will continue to do so in order to generate an extensive applicant pool.

III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

- A. Agency Section/Code/Name: Section 1, State Department of Education (H63), Program XIV
SC Governor's School for the Arts and Humanities
- B. Priority No. 1 of 2
Priority No. 2 of 2
- C. Strategic Goal/Action Plan (*if applicable*): To equip, staff, and fully make operational the resources to accommodate a full residential student body. To develop a plan of action to address the continued health and safety of SCGSAH students, faculty, and staff.
- D. Project Name and Number (*if applicable*): Priority 1 Residence Hall Reconfiguration (Phase II)
Priority 2 Residential High School – Replacement of Classroom Equipment and Furniture
- E. Agency Activity Number and Name: 806-12 Residential High School
- F. Description of Priority:
Priority 1 - Residence Hall Reconfiguration (Phase II): \$3,500,000
Priority 2 - Residential High School – Replacement of Classroom Equipment and Furniture: \$ 75,000
- G. Detailed Justification for Funding
- (1) Justification for Funding Priority: Priority 1 & 2 will provide for the continued health and safety of SCGSAH students, faculty, and staff. In the 2006-07 budget process, the SCGSAH requested \$4,000,000 for this effort. The School received funding of \$2,500,000 for the reconfiguration. Estimates have now increased and this request addresses the balance of the funding needed for this effort.

(2)

| Total Project Cost Estimates: | Additional State Funds | Previously Authorized State Funds | Total Other Fund Sources | Project Total |
|-------------------------------|------------------------|-----------------------------------|--------------------------|---------------|
| Total Project Cost* | \$3,575,000 | | | \$3,575,000 |

* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.

H. Justification for First Year Additional Future Annual Operating Costs:

(1) Will additional annual operating costs be absorbed into your existing budget? Yes

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: _____ Will this fiscal year require a partial or full year's operating funds? _____ If a partial year's funds are required, what portion of the year does it cover? _____

(3)

| Additional Annual Operating Cost Details: | State Non-Recurring | State Recurring | Federal | Other | Total |
|--|----------------------------|------------------------|----------------|--------------|--------------|
| Total Costs: | | | | | |
| (a) Number of FTEs | | | | | 0.00 |
| (b) Total Personnel Costs | | | | | \$ 0 |
| (c) Furniture/Equipment | | | | | \$ 0 |
| (d) Other Operating Costs | | | | | \$ 0 |
| Total | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

I. Justification for First Full Year Additional Future Annual Operating Costs (*If Section H above represents a full year's operating funds, do not complete this section.*)

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: _____

(3)

| Additional Annual Operating Cost Details: | State Non-Recurring | State Recurring | Federal | Other | Total |
|--|--------------------------------|----------------------------|----------------|--------------|--------------|
| Total Costs: | | | | | |
| (a) Number of FTEs | | | | | 0.00 |
| (b) Total Personnel Costs | | | | | \$ 0 |
| (c) Furniture/Equipment | | | | | \$ 0 |
| (d) Other Operating Costs | | | | | \$ 0 |
| Total | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

J. Other Comments:

**SCGSAH FY 2007-08 BUDGET REQUEST SUMMARY
AS OF AUGUST 24, 2006**

Recurring:

Other Operating:

Facility Contract Increases **\$ 70,000**

Classroom Supplies **\$ 25,000**

- Student Performance Costumes and Supplies (\$13,000)
- Non-State Textbooks and Materials (\$5,000)
- Art Supplies (\$7,000)

Utility Increases **\$250,000**

Health Screenings **\$ 10,440**

Fee Waivers for Economically Disadvantaged Students **\$113,850**

Total Recurring **\$469,290**

Non-recurring:

Residence Hall Reconfiguration (Phase II) **\$3,500,000**

Replacement of Classroom Equipment & Furniture **\$ 75,000**

Total Non-recurring **\$3,575,000**

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: Section 1, State Department of Education (H63), Program XIV
SC Governor's School for the Arts and Humanities
- B. Agency Activity Number and Name: 806-12, Residential High School
- C. Explanation of Cost Savings Initiative: Implementation of a number of campus-wide Human Resource initiatives, such as furlough, maintaining vacancies, and potential salary reductions for all administrative positions.
- D. Estimate of Savings:

| FY 2007-08 Cost Savings Estimates: | General | Federal | Other | Total |
|---|----------------|----------------|--------------|--------------|
| Personnel: | | | | |
| (a) Number of FTEs | | | | 0.00 |
| (b) Personal Service | \$105,000 | | | \$100,000 |
| (c) Employer Contributions | \$29,718 | | | \$29,718 |
| | | | | |
| Program/Case Services | | | | \$ 0 |
| Pass-Through Funds | | | | \$ 0 |
| Other Operating Expenses | | | | \$ 0 |
| | | | | |
| Total | \$134,718 | \$ 0 | \$ 0 | \$134,718 |

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

F.

| Summary of Cost Savings Initiatives for FY 2007-08: | FUNDING | | | | FTEs | | | |
|---|-----------|---------|-------|-----------|-------|------|-------|-------|
| | General | Federal | Other | Total | State | Fed. | Other | Total |
| Initiative Title: Personal Services | \$134,718 | 0 | 0 | \$134,718 | 0 | 0 | 0 | 0.00 |
| Activity Number & Name: 806-12 Residential High School | | | | | | | | |
| Initiative Title: | 0 | 0 | 0 | \$ 0 | 0 | 0 | 0 | 0.00 |
| Activity Number & Name: | | | | | | | | |
| Initiative Title: | 0 | 0 | 0 | \$ 0 | 0 | 0 | 0 | 0.00 |
| Activity Number & Name: | | | | | | | | |
| TOTAL OF ALL INITIATIVES | \$134,718 | \$ 0 | \$ 0 | \$134,718 | 0.00 | 0.00 | 0.00 | 0.00 |

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section 1, State Department of Education (H63), Program XIV
SC Governor's School for the Arts and Humanities

- B. Agency Activity Number and Name: 806-12, Residential High School

- C. Explanation of Lowest Priority Status: Administration - This function provides school leadership, facility support and management, public safety, SCGSAH finance and budget responsibilities, policy development and implementation, human resource management, technology and distance learning management, and student performance production and design support.

- D. Estimate of Savings:

| Estimate of Savings: | General | Federal | Supplemental | Capital Reserve | Other | Total |
|----------------------------|-----------|---------|--------------|-----------------|-------|-----------|
| Personnel: | | | | | | |
| (a) Number of FTEs | 0 | 0 | 0 | 0 | 0 | 0.00 |
| (b) Personal Service | \$105,000 | | 0 | 0 | 0 | \$105,000 |
| (c) Employer Contributions | \$29,718 | | 0 | 0 | 0 | \$29,718 |
| | | | | | | |
| Program/Case Services | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| Pass-Through Funds | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| Other Operating Expenses | 0 | 0 | 0 | 0 | 0 | \$ 0 |
| | | | | | | |
| Total | \$134,718 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$134,718 |

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
Campus-wide reduction in services to students, faculty, and staff.

F.

| Summary of Priority Assessment of Activities | General | Federal | Supplemental | Capital Reserve | Other | Total | FTEs |
|---|----------------|----------------|---------------------|------------------------|--------------|--------------|-------------|
| Activity Number & Name: 806-12 Residential High School | \$134,718 | 0 | 0 | 0 | 0 | \$134,718 | 0 |
| Activity Number & Name: | 0 | 0 | 0 | 0 | 0 | \$ 0 | 0 |
| Activity Number & Name: | 0 | 0 | 0 | 0 | 0 | \$ 0 | 0 |
| Activity Number & Name: | 0 | 0 | 0 | 0 | 0 | \$ 0 | 0 |
| Activity Number & Name: | 0 | 0 | 0 | 0 | 0 | \$ 0 | 0 |
| TOTAL OF LOWEST PRIORITIES | \$134,718 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$134,718 | 0.00 |